

MINUTES
BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 26

February 3, 2011

The Board of Directors (the "Board") of Brazoria County Municipal Utility District No. 26 (the "District") met in special session, open to the public, on the 3rd day of February, 2011, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Michael Parks	President
Chris Jones	Vice President
Melissa Slade	Secretary
Caralynn Prade	Assistant Vice President
Herbert Fain	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were James Ross of LJA Engineering & Surveying, Inc.; Craig Rathmann and Julie Williams of Rathmann & Associates, L.P.; Barry J. Kaplan of B.J. Kaplan & Associates; and Lynne B. Humphries, Angie Lutz, and Kristen Hogan of Allen Boone Humphries Robinson LLP.

REPLACEMENT OF BOOKKEEPER AND HIRING FOR NEW BOOKKEEPING SERVICES

Ms. Humphries reviewed correspondence and a letter of resignation from Pamela Logsdon resigning as the District's bookkeeper effective as of the date determined by the Board. A copy of the bookkeeper resignation letter is attached. Ms. Humphries noted that the letter indicates that the District's records will be available for pick-up on the next business day following the effective date of the resignation. She then reviewed the correspondence from Ms. Logsdon regarding year-end tax forms and upcoming payments and investment and meeting reports. After review and discussion, the Board concurred the resignation of AVANTA Services as the District's bookkeeper should be effective as of today, February 3, 2011, and the records should be available by Monday, February 7, 2011. The Board concurred AVANTA Services should provide any pending invoices to the new bookkeeper selected by the District to prepare checks for the February 9, 2011, regular meeting.

The Board next reviewed an Agreement for Bookkeeping Services with Myrtle Cruz, Inc. and considered engaging Myrtle Cruz, Inc. as the District's new bookkeeper. Ms. Humphries noted that the Agreement provides for a flat monthly fee of \$2,000 per month and a rate of \$50.00 per hour for any additional services as requested by the

District. She added that Myrtle Cruz, Inc. charges a one-time set up fee of \$1,000 for verification of existing account balances.

After review and discussion, Director Prade made a motion to accept the resignation of AVANTA Services, effective today, authorize execution of a letter to AVANTA Services regarding the effective date of the resignation and instructions for transferring the District's records, approve the Agreement for Bookkeeping Services with Myrtle Cruz, Inc. to serve as the District's new bookkeeper, effective immediately, and authorize ABHR to file the new District Registration Form. Director Fain seconded the motion, which passed unanimously.

PLANNING FOR TOWN HALL MEETING IN DISTRICT

The Board and consultants discussed the upcoming in-District meeting scheduled for February 9, 2011, and reviewed and revised the PowerPoint presentation that will be presented at such meeting.

Directors Jones and Parks left the meeting.

PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE FOR SERIES 2011 BONDS, APPOINTMENT OF PAYING AGENT/REGISTRAR, AND ADVERTISEMENT FOR SALE OF BONDS, AND

Ms. Williams reviewed the Preliminary Official Statement and Official Notice of Sale for the District's \$3,225,000 Unlimited Tax Bonds, Series 2011 (the "Series 2011 Bonds"), a copy of which was provided for review in advance of today's meeting. She recommended that the Board appoint Wells Fargo Bank, N.A. as Paying Agent/Registrar for the Series 2011 Bonds. The Board then discussed the schedule for sale of the District's Series 2011 Bonds. After review and discussion, Director Prade moved to approve the Preliminary Official Statement and Official Notice of Sale for the District's Series 2011 Bonds, appoint Wells Fargo Bank, N.A. as Paying Agent/Registrar, and authorize advertisement for sale of the Series 2011 Bonds to be held at the District's regular meeting on March 1, 2011. Director Slade seconded the motion, which passed unanimously.

AUTHORIZATION FOR FINANCIAL ADVISOR TO BID ON BONDS

Ms. Humphries said this item was included on the agenda by mistake and no action is necessary since the District's financial advisor does not intend to bid on the District's bonds.

There being no further business to come before the Board, the meeting was adjourned.



Albert J. ...
Ass't Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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